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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/821,106	03/29/2001	Leland James Wiesehuegel	AUS920010174US1	3259
7590 05/31/2006			EXAMINER	
Robert H. Frantz P.O. Box 23324 Oklahoma City, OK 73123-2334			ALPERT, JAMES M	
			ART UNIT	PAPER NUMBER
			3624	

DATE MAILED: 05/31/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/821,106

Applicant(s)

WIESEHUEGEL ET AL.

Examiner

James Alpert

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 20 March 2006.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-4,6-9 and 11-14 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-4,6-9 and 11-14 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |                                                                                                                        |                                                                                         |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                            | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____                                                |

### **DETAILED ACTION**

The following communication is in response to Applicants' amendment filed on 03/20/2006.

#### ***Status of Claims***

Claims 2-4,7-9,12-14 are original. Claims 1,6,11 are currently amended. Claims 5,10,15 are canceled. Therefore, Claims 1-4,6-9,11-14 are currently pending.

#### ***Response to Arguments***

Applicants' arguments filed 03/20/32006 have been fully considered but they are not persuasive as discussed below. Therefore, Claims 1-4,6-9,11-14 remain rejected. In addition, Applicants' amendments have necessitated a new ground of rejection as discussed below. Applicants' request for allowance is respectfully declined.

#### ***Claim Rejections - 35 USC § 101***

The text of 35 U.S.C. §101, which is not included in this action, can be found in a prior Office action. In the previous action, the examiner rejected Applicants' claims 11-15 on the grounds that a "proxy agent" is non-statutory under §101. Applicants have attempted to overcome the rejection by minor modifications to the claims wherein the modules of Claim 11 are set in an automated bidding system environment. These steps disclose that there are various modules implementing the method steps of Claim 1 in an automated bidding system environment. However, it remains unclear whether this "system" is software, hardware, or some hybrid of the two.

Further, the language of the claims is still unsatisfactory. The Office can issue a patent to a computer system operable to perform the functionality of a proxy agent in an

electronic auction setting, but a "proxy agent" is human being who physically locates himself at a live auction and bids in the stead of another. The Office cannot issue a patent on a human being. The Applicants should consider language such as

*"An automated bidding system comprising a computing apparatus configured to implement a proxy agent program containing current bid level ...*

or some similar type of language which makes clear that the "agent" is a construct.

Appropriate correction is required.

***Claim Rejections - 35 USC § 112(2) (Arg. #1)***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1-4, 6-9, 11-14 are rejected under U.S.C. §112 as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. In particular, Claims 1,6,11, as amended describe a situation wherein a parameter set is provided that contains one or more proxy parameters. Then in the second limitation, it is required that the at least one parameter must be a counter bid time delay. However, in the fourth limitation, it is required that a condition be checked, which is based on a parameter, that the current bid level reflects a current bid placed by an auction participant other than the participant for which proxy bidding is being performed. This indicates that at least two parameters must be checked in the method steps of Claim 1. Thus, a parameter set must include two or more parameters in order to meet the requirements of the express language of the claim. Appropriate correction is required.

***Claim Rejections - 35 USC § 112(2) (Arg. #2)***

Claims 1-4, 6-9, 11-14 are rejected under U.S.C. §112 for a second reason which is that no parameter is required in the parameter set which indicates a maximum bid or some terminating point. It is well understood that proxy bidding must provide a "termination level", for lack of a better word, which is a point at which no other bidding will be performed on behalf of the principal. This can be either a maximum bid in a standard auction or a minimum bid in a Dutch auction. The examiner is of the belief that there really are three or more parameters that must be included in the parameter set. Appropriate correction is required.

***Claim Rejections - 35 USC § 112(2) (Arg. #3)***

Claims 1-4, 6-9, 11-14 are rejected under U.S.C. §112 for a third reason which is that the phrase "current bid level" is confusing. What is the current bid level? Is it the bid being anticipated by the participant? What needs to be checked is the current leading bid level or the current winning bid level. Appropriate correction is required.

***Claim Rejections - 35 USC § 112(2) (Arg. #4)***

Claims 1-4, 6-9, 11-14 are rejected under U.S.C. §112 for a fourth reason which is that the final limitation of Claim 1 is redundant. If a counter bid delay is a parameter that is established in the parameter set, then placing a counter bid responsive to the proxy conditions would automatically include a time delay. The phrase "and a time following or upon the elapse of said counter bid delay from a time of placement of said current bid" is redundant. Appropriate correction is required.

***Claim Rejections - 35 USC § 112(1)***

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claims 1-4,6-9,11-14 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claims contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. Specifically, the limitation in Claim 1, and corresponding medium and system claims, relating that a,

current bid level reflects a current bid placed by an auction participant other than the participant for which proxy bidding is being performed;

does not have support in the specification. The examiner has reviewed the disclosure but cannot detect wherein there is specific support for this amendment.

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-4,6-9,11-14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Montgomery, U.S. Patent Application Publication #20020038282, in view of

Dinwoodie, U.S. Patent #6415269, and further in view of Fisher et al, U.S. Patent #6415269.

Initially, please note that the Examiner has included a copy of the Montgomery provisional application, 60235549, for further inspection by Applicants. The provisional application includes all the figures in the utility application, 09/963472, as well as much of the specification of the utility application. As such, the examiner believes that although perhaps not a word for word replication of the provisional application, the utility application is enabled by the underlying provisional application, as contemplated by 35 U.S.C. 112.

To that end and **with regard to Claims 1,6,11**, Montgomery teaches the method, medium, and system comprising:

providing a bid parameter set, having one or more proxy bid parameters,  
(Figure 2, item #208; Figure 5, items #512,514; Para. 62, discussing bid parameters)

said proxy bid parameters indicating proxy conditions for at least one offering or auction to which proxy bidding is to be made, (Para. 62, discussing the natures of the various parameters and the conditions associated therewith)

The examiner is slightly conflicted as to whether Montgomery expressly teaches the limitation wherein:

at least one of which parameters includes a counter bid delay;

In one interpretation of Montgomery, the time-to-close delay is in itself "a counter bid delay", that is to say, under normal conditions, where a proxy would place a bid, the bid is delayed a certain time until near the end of the auction. In the examiner's opinion, this delay in placing a counter bid technically reads on the claim. If applicants do not find this persuasive, consider that using a delay in posting or processing a bid is a well-

Art Unit: 3624

known feature in the electronic commerce arts. A good example of using a delay is found in Dinwoodie at (Figure 3, item 88) and described therein (Col. 6, lines 4-7). Delays are used in auction systems to allow for stability, which is precisely the intent in using a delay in the instant application. Thus it would have been obvious to one of ordinary skill in the art at the time Applicants' invention was made to combine the teachings of Montgomery relating to use of parameters and conditions in entering proxy bids, with the teachings of Dinwoodie, relating to a delay in entering a bid. The motivation for such a combination, as mentioned above, and which is within the general knowledge of one of ordinary skill in the art, and is simply to stabilize bidding in order to equitably allow participants equal opportunity to win the auction.

Montgomery further teaches:

checking at least one current bid level in a bid data store of an offering or auction system; (Figure 11, item 1104)

determining if any of said proxy conditions have been met  
(Para. 62; Figure 11, item 1106;)

It is not clear whether Montgomery expressly discloses a bid condition wherein:  
said current bid level reflects a current bid placed by an auction participant other than the participant for which proxy bidding is being performed;

However, this limitation is extremely well known and is very well demonstrated in Fisher at (Col. 6, Claim 1, 2<sup>nd</sup> limitation). Further it would have been obvious to one of ordinary skill in the art at the time Applicants invention was made to combine the teachings of Montgomery, relating to use of parameters and conditions in entering proxy bids, with the teachings of Fisher, relating to a condition wherein the current winning bid be from a different party than the party represented by the proxy. The motivation for



such a combination is within the general knowledge of one of ordinary skill in the art, and is simply to avoid double bidding by a party, which in conjunction with proxy bidding would escalate the price up against the bidder.

Montgomery further teaches:

placing a counter bid into at least one auction responsive to said proxy conditions being met (Figure 8, items 816-824)

Again, it is not clear whether Montgomery teaches, and a time following or upon the elapse of said counter bid delay from a time of placement of said current bid.

In one interpretation of Montgomery, a bid implemented pursuant to a time-to-close process is itself a bid placed "upon the elapse of said counter bid delay." In this interpretation, placing such a bid reads on the claim. Again, if Applicants do not find this argument persuasive, it would be easily seen that delays are old and well known as they relate to placing bids. Again, see Dinwoodie at (Figure 3, item 88) and described therein (Col. 6, lines 4-7). As such it would be obvious to modify Montgomery to include placing a counter bid pursuant to a bid delay. The motivation again is to stabilize bidding.

**With regard to Claims 2,7,12**, Montgomery teaches the method, medium, and system comprising:

determining if said current bid level is below an indicated bid maximum parameter in said proxy bid parameters. (Figure 8, items 816-824; Figure 11, items 1104-1106)

**With regard to Claims 3,8,13**, Montgomery teaches the method, medium, and system comprising:

determining if a specified time during an auction open period has not been reached yet such that a specified maximum bid may be placed before such specified time.  
(Para. 62)

**With regard to Claims 4,9,14**, Montgomery teaches the method, medium, and system comprising:

determining if a specified time prior to an auction close time has been reached such that a specified maximum bid may be placed after such specified time.  
(Para. 20)

### ***Conclusion***

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to James Alpert whose telephone number is (571) 272-6738. The examiner can normally be reached on M-F 9:30-6:00. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on (571) 272-6747. The fax phone number for the organization where this application or proceeding is assigned is (703) 872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197.

James M. Alpert  
May 24, 2006



HANI M. KAZIMI  
PRIMARY EXAMINER